

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Agriculture Department – Procurement and Pre-positioning of Fertilizers for Kharif 2009 and Rabi 2009-10 – Nomination of A.P.State Cooperative Marketing Federation Limited as Nodal Agency – Orders – Issued.

AGRICULTURE & CO-OPERATION (FP.II) DEPARTMENT

G.O.Rt.No. 552.

Dated: 14-05-2009.

Read:

From the Managing Director, A.P.State Cooperative Marketing Federation limited, Hyd., Note dated: 24-3-2009.

ORDER:

The Managing Director, A.P.State Cooperative Marketing Federation Limited (A.P.MARKFED) , Hyderabad in his note read above has stated that the supply position of fertilizers during the coming season is likely to be very critical on account of delay in finalization of subsidy policy by Government of India. He has further stated that most of the manufacturers have not taken up the production during February and March due to which the availability of fertilizers may become a problem. In order to obviate the difficulties that may be created on account of shortage of fertilizers and keeping in view the experience of the past season, the Government need to take a policy decision for preparation of plan for pre-positioning of fertilizers during Kharif 2009 and Rabi 2009-10 immediately and, therefore, requested to consider the following:

- a) to nominate the A.P.MARKFED as Nodal Agency with permission to raise loans to an extent of Rs.500.00 crores or as may be deemed necessary from banks for purchasing and preposition of fertilizers for the Agriculture Season 2009-10.
- b) to bear the interest on the above loans upto the end of Rabi 2009-10 or till liquidation of stocks thus procured and till clearance of all loans raised for the above purpose.
- c) to reimburse the cost of secondary transportation and other related incidental expenditure like handling, storage etc., of fertilizers procured on behalf of Commissioner & Director of Agriculture for the season 2009-10.

2. After careful examination of the matter, Government hereby nominate the A.P.State Cooperative Marketing Federation Limited (A.P.MARKFED), Hyderabad as nodal agency for the State of Andhra Pradesh, for procurement and pre-positioning of fertilizers for the Kharif and Rabi seasons 2009-10. Government also permit the A.P.MARKFED to raise loans upto Rs. 500.00 Crores (Rupees Five hundred crores only) for the above purpose from Banks / Financial Institutions. Government will bear the interest accrued on the said loans upto the end of Rabi 2009-10 on quarterly basis or till liquidation of the stocks thus procured and till clearance of all loans raised for the above purpose. Government will also reimburse the cost of secondary transportation and other related incidental expenditure like handling, storage etc., of the fertilizers procured, for the season 2009-10.

3. The A.P.MARKFED shall procure the fertilizers depending upon the need and as per the guidelines to be issued by the Commissioner & Director of Agriculture, A.P., Hyderabad separately. The drawl of amounts of loans shall be only to the extent of requirement. The reimbursement of interest on the loans raised shall be on

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quarterly basis and reimbursement of secondary transportation and other related incidental expenditure shall be on submission of detailed bills for reimbursement of actual amounts after incurring the expenditure. The Managing Director, A.P.MARKFED shall allocate the required quantities of fertilizers to the A.P.AGROS, HACA etc., and coordinate with these agencies in distribution of fertilizers in the State.

4. The Commissioner & Director of Agriculture, A.P., Hyderabad / The Managing Director, A.P.MARKFED, Hyderabad shall take further necessary action, in the matter.

5. This order issues with the concurrence of Finance (EAC) Department vide their U.O.No.12941/249/A2/EAC/09, Dated:14-5-2009.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADAESH)

PANKAJ DWIVEDI
PRINCIPAL SECRETARY TO GOVERNMENT

To

The Commissioner & Director of Agriculture, A.P. Hyderabad.

The Managing Director, A.P.MARKFED, Hyderabad.

Copy to:

The VC & MD, A.P.AGROS, Hyderabad.

The Managing Director, Agriculture Cooperative Association Ltd.,
Hyderabad (HACA).

The Finance (EAC) Department.

SF/SC.

// forwarded :: by order //

SECTION OFFICER.